

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK

-----X
DJ DIRECT, INC.,

Index No. 20-cv-02477-MKB

Plaintiff,

ANSWER

--against--

YAAKOV N. MARGALOT, TOVAH S. MARGALOT,
JCB MAX LLC, JBI IMPORTS, LLC, LISSE USA AND
DOES 1-5,

Defendants.
-----X

Defendants, Yaakov N. Margalot and Tovah S. Margalot, by their attorney, Warren Law
Group, answer the Complaint as follows:

1. Denies the allegations of Paragraph 1.
2. Denies the allegations of Paragraph 2, and refers all questions of law to the Court.
3. Denies the allegations of Paragraph 3, and refers all questions of law to the Court.
4. Denies the allegations of Paragraph 4, and refers all questions of law to the Court.
5. Denies the allegations of Paragraph 5, and refers all questions of law to the Court.
6. Admits the allegations of Paragraph 6.
7. Admits the allegations of Paragraph 7.
8. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 9Admits the allegations of Paragraph 8.
9. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 9.
10. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 10.
11. Denies the allegations of Paragraph 11.

12. Admits the allegations of Paragraph 12.
13. Admits the allegations of Paragraph 13.
14. Admits the allegations of Paragraph 14.
15. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 15.
16. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 16.
17. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 17.
18. Denies the allegations of Paragraph 18.
19. Admits the allegations of Paragraph 19.
20. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 20.
21. Denies the allegations of Paragraph 21.
22. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 22.
23. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 23.
24. Denies the allegations of Paragraph 24.
25. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 25.
26. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 26.

27. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 27.
28. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 28.
29. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 29.
30. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 30.
31. Denies the allegations of Paragraph 31.
32. Denies the allegations of Paragraph 32.
33. Denies the allegations of Paragraph 33.
34. Denies the allegations of Paragraph 34.
35. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 35, and refers all questions of law to the Court.
36. Admits the allegations of Paragraph 36.
37. Admits the allegations of Paragraph 37.
38. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 38, and refers all questions of law to the Court.
39. Admits the allegations of Paragraph 39, but refers all questions of law regarding the common law trademark rights alleged to the Court.
40. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 40, and refers all questions of law regarding the common law trademark rights alleged to the Court.

41. Admits the allegations of Paragraph 41.
42. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 42.
43. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 43, and refers all questions of law to the Court.
44. Admits the allegations of Paragraph 44.
45. Admits the allegations of Paragraph 45.
46. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 46.
47. Admits the allegations of Paragraph 47.
48. Admits the allegations of Paragraph 48.
49. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 49.
50. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 50.
51. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 51.
52. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 52.
53. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 53.
54. Denies the allegations of Paragraph 54.
55. Denies the allegations of Paragraph 55, and refers all questions of law to the Court.

56. Denies the allegations of Paragraph 56, and refers all questions of law to the Court.
57. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 57.
58. Admits the allegations of Paragraph 58.
59. Admits the allegations of Paragraph 59.
60. Admits the allegations of Paragraph 60, except denies knowledge or information sufficient to form a belief as to whether plaintiff had knowledge of or gave consent to the trademark application filing.
61. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 61.
62. Admits the allegations of Paragraph 62.
63. Admits the allegations of Paragraph 63, except denies the statement was false and refers all questions of law to the Court.
64. Admits the allegations of Paragraph 64, except denies the statement was false and refers all questions of law to the Court.
65. Denies the allegations of Paragraph 65, and refers all questions of law to the Court.
66. Denies the allegations of Paragraph 66, and refers all questions of law to the Court.
67. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 67.
68. Denies the allegations of Paragraph 68, and refers all questions of law to the Court.
69. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 69, and refers all questions of law to the Court.
70. Denies the allegations of Paragraph 70.

71. Denies knowledge of information sufficient to form a belief as to the allegations of Paragraph 71, and refers all questions of law to the Court.
72. Denies the allegations of Paragraph 72, and refers all questions of law to the Court.
73. Denies the allegations of Paragraph 73.
74. Denies the allegations of Paragraph 74, except admits that Yaakov Margaliot and Tovah Margaliot were not partners in the plaintiff.
75. Denies the allegations of Paragraph 75, except admits that Yaakov Margaliot and Tovah Margaliot were not partners in the plaintiff.
76. Admits the allegations of Paragraph 76, except denies that the statements made to the USPTO were false and refer all questions of law to the Court.
77. Denies the allegations of Paragraph 77, except admit that Joel Jacobowitz and Yaakov Margaliot entered into a written contract on or about March 30, 2017.
78. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 78.
79. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 79.
80. Admits the allegations of Paragraph 80.
81. Admits the allegations of Paragraph 81, except denies any of the statements were false.
82. Denies the allegations of Paragraph 82.
83. Admits the allegations of Paragraph 83.
84. Denies the allegations of Paragraph 84.
85. Denies the allegations of Paragraph 85.
86. Denies knowledge or information sufficient to form a belief as to the allegations of

Paragraph 86.

- 87. Denies the allegations of Paragraph 87, and refers all questions of law to the Court, except denies that any of the statements alleged were misrepresentations of a material fact.
- 88. Denies the allegations of Paragraph 88, and refers all questions of law to the Court.
- 89. Denies knowledge of information sufficient to form a belief as to the allegations of Paragraph 89, and refers all questions of law to the Court.
- 90. Denies the allegations of Paragraph 90, and refers all questions of law to the Court.
- 91. Denies the allegations of Paragraph 91.
- 92. Admits the allegations of Paragraph 92.
- 93. Denies the allegations of Paragraph 93, except admits that both defendants knew they were not partners of the plaintiff.
- 94. Admits the allegations of Paragraph 94, except denies any of the statements alleged were false.
- 95. Denies the allegations of Paragraph 95, and refers all questions of law to the Court, except admits that Joel Jacobowitz and Yaakov Margaliot entered into a written contract on or about March 230, 2017.
- 96. Admits the allegations of Paragraph 96, except denies knowledge or information sufficient to form a belief as to whether plaintiff knew about or consented to the application filings.
- 97. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 97.
- 98. Admits the allegations of Paragraph 98.
- 99. Admits the allegations of Paragraph 99, except denies that any of the statements alleged were false.

100. Admits the allegations of Paragraph 100, except denies that any of the statements alleged were false.
101. Admits the allegations of Paragraph 101, except denies that any of the statements alleged were false.
102. Denies the allegations of Paragraph 102.
103. Denies the allegations of Paragraph 103, and refers all questions of law to the Court.
104. Denies the allegations of Paragraph 104, and refers all questions of law to the Court.
105. Denies the allegations of Paragraph 105, and refers all questions of law to the Court.
106. Denies the allegations of Paragraph 106, and refers all questions of law to the Court.
107. Denies knowledge of information sufficient to form a belief as to the allegations of Paragraph 107, and refers all questions of law to the Court.
108. Denies the allegations of Paragraph 108, and refers all questions of law to the Court.
109. Admits the allegations of Paragraph 109, except denies that that any of the statements alleged to have been made were false.
110. Admits the allegations of Paragraph 110.
111. Denies the allegations of Paragraph 111, except admits that Tovah Margaliot knew that she and Yaakov Margaliot were not partners of plaintiff.
112. Admits the allegations of Paragraph 112, except denies that any of the statements alleged to be made were false.
113. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 113, and refers all questions of law to the Court.
114. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 114.

- 115. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 115, except deny that plaintiff owns the trademarks as alleged.
- 116. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 116.
- 117. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 117.
- 118. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 118.
- 119. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 119.
- 120. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 120.
- 121. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 121, except deny that plaintiff owns the trademarks as alleged.
- 122. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 122, except deny that plaintiff owns the trademarks as alleged.
- 123. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 123, except deny that plaintiff owns the trademarks as alleged.
- 124. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 124, except deny that plaintiff owns the trademarks as alleged.
- 125. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 125, except deny that plaintiff owns the trademarks as alleged.
- 126. Denies knowledge or information sufficient to form a belief as to the allegations of

Paragraph 126, except deny that the trademarks alleged were procured by fraud.

127. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 127.

128. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 128.

129. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 129.

130. Admits the allegations of Paragraph 130.

131. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 131.

132. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 132.

133. Admits the allegations of Paragraph 133.

134. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 134.

135. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 135.

136. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 136.

137. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 137.

138. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 138.

- 139. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 139.
- 140. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 140.
- 141. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 141.
- 142. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 142.
- 143. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 143.
- 144. Denies the allegations of Paragraph 144.
- 145. Denies the allegations of Paragraph 145.
- 146. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 146.
- 147. Denies the allegations of Paragraph 147.
- 148. Denies the allegations of Paragraph 148.
- 149. Denies the allegations of Paragraph 149.
- 150. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 150.
- 151. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 151.
- 152. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 152.

153. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 153.
154. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 154.
155. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 155.
156. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 156.
157. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 157, except admits plaintiff terminated its relationship with Yaakov Margaliot in writing.
158. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 158, and refers all questions of law to the Court.
159. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 159, and refers all questions of law to the Court.
160. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 160.
161. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 161.
162. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 162.
163. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 163.

- 164. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 164.
- 165. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 165.
- 166. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 166.
- 167. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
- 168. Denies the allegations of Paragraph 168.
- 169. Denies the allegations of Paragraph 169, and refers all questions of law to the Court.
- 170. Denies the allegations of Paragraph 170, and refers all questions of law to the Court.
- 171. Denies the allegations of Paragraph 171, and refers all questions of law to the Court.
- 172. Denies the allegations of Paragraph 172, and refers all questions of law to the Court.
- 173. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 173.
- 174. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 174.
- 175. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 175.
- 176. Denies the allegations of Paragraph 176, and refers all questions of law to the Court.
- 177. Denies the allegations of Paragraph 177, and refers all questions of law to the Court.
- 178. Denies the allegations of Paragraph 178, and refers all questions of law to the Court.
- 179. Repeats and reiterates responses to each of the allegations set forth in the preceding

paragraphs above as if fully set forth herein again at length.

180. Denies the allegations of Paragraph 180, and refers all questions of law to the Court.
181. Denies the allegations of Paragraph 181, and refers all questions of law to the Court.
182. Denies the allegations of Paragraph 182, and refers all questions of law to the Court.
183. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 183.
184. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 184, and refers all questions of law to the Court.
185. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 185.
186. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 186, except admit that any such use by Yaakov Margalio and Tovah Magalio is without plaintiff's authorization.
187. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 187, and refers all questions of law to the Court.
188. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 188.
189. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 189.
190. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 190, and refers all question of law to the Court.
191. Denies the allegations of Paragraph 191.
192. Denies the allegations of Paragraph 192, and refers all questions of law to the Court.

193. Denies the allegations of Paragraph 193, and refers all questions of law to the Court.
194. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
195. Denies the allegations of Paragraph 195, except admits that Yaakov Margaliot procured five United States trademark registrations in his own name.
196. Admits the allegations of Paragraph 196, except denies any of the statements made to the USPTO were false or fraudulent.
197. Denies the allegations of Paragraph 197, and refers all questions of law to the Court.
198. Denies the allegations of Paragraph 198, and refers all questions of law to the Court.
199. Denies the allegations of Paragraph 199, and refers all questions of law to the Court.
200. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 200.
201. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 201.
202. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 202.
203. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 203.
204. Denies the allegations of Paragraph 204.
205. Denies the allegations of Paragraph 205, and refers all questions of law to the Court.
206. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
207. Admits the allegations of Paragraph 207.

- 208. Denies the allegations of Paragraph 208, and refers all questions of law to the Court.
- 209. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 209, and refers all questions of law to the Court.
- 210. Denies the allegations of Paragraph 210, and refers all questions of law to the Court.
- 211. Denies the allegations of Paragraph 211, admits that on or about March 30, 2017, Joel Jacobowitz and Yaakov Margaliot entered into a written contract, and refers all questions of law to the Court.
- 212. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 212.
- 213. Denies the allegations of Paragraph 213, admits that on or about March 30, 2017, Joel Jacobowitz and Yaakov Margaliot entered into a written contract, and refers all questions of law to the Court.
- 214. Denies the allegations of Paragraph 214, and refers all questions of law to the Court.
- 215. Denies the allegations of Paragraph 215, and refers all questions of law to the Court.
- 216. Denies the allegations of Paragraph 216, and refers all questions of law to the Court.
- 217. Denies the allegations of Paragraph 217, and refers all questions of law to the Court.
- 218. Denies the allegations of Paragraph 218, and refers all questions of law to the Court.
- 219. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 219, and refers all questions of law to the Court.
- 220. Admits the allegations of Paragraph 220.
- 221. Denies the allegations of Paragraph 221, and refers all questions of law to the Court.
- 222. Denies the allegations of Paragraph 222, and refers all questions of law to the Court.
- 223. Admits the allegations of Paragraph 223.

- 224. Denies the allegations of Paragraph 224, and refers all questions of law to the Court.
- 225. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
- 226. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 226, and refers all questions of law to the Court.
- 227. Admits the allegations of Paragraph 227.
- 228. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 228.
- 229. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 229.
- 230. Denies the allegations of Paragraph 230.
- 231. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 231.
- 232. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 232.
- 233. Denies the allegations of Paragraph 233.
- 234. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 234.
- 235. Denies the allegations of Paragraph 235.
- 236. Denies the allegations of Paragraph 236.
- 237. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 237.
- 238. Denies knowledge or information sufficient to form a belief as to the allegations of

Paragraph 238, and refers all questions of law to the Court.

- 239. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
- 240. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 240.
- 241. Denies the allegations of Paragraph 241.
- 242. Denies the allegations of Paragraph 242.
- 243. Denies the allegations of Paragraph 243.
- 244. Denies the allegations of Paragraph 244, and refers all questions of law to the Court.
- 245. Denies the allegations of Paragraph 245, and refers all questions of law to the Court.
- 246. Denies the allegations of Paragraph 246, and refers all questions of law to the Court.
- 247. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
- 248. Denies the allegations of Paragraph 248, and refers all questions of law to the Court.
- 249. Denies the allegations of Paragraph 249, and refers all questions of law to the Court.
- 250. Denies the allegations of Paragraph 250.
- 251. Denies the allegations of Paragraph 251, and refers all questions of law to the Court.
- 252. Denies the allegations of Paragraph 252.
- 253. Repeats and reiterates responses to each of the allegations set forth in the preceding paragraphs above as if fully set forth herein again at length.
- 254. Denies the allegations of Paragraph 254, and refers all questions of law to the Court.
- 255. Denies the allegations of Paragraph 255, and refers all questions of law to the Court.
- 256. Denies the allegations of Paragraph 256.

- 257. Denies the allegations of Paragraph 257.
- 258. Denies the allegations of Paragraph 258.
- 259. Denies the allegations of Paragraph 259.
- 260. Denies the allegations of Paragraph 260.
- 261. Denies the allegations of Paragraph 261, and refers all questions of law to the Court.
- 262. Denies the allegations of Paragraph 262, and refers all questions of law to the Court.
- 263. Denies the allegations of Paragraph 263.
- 264. Denies the allegations of Paragraph 264, and refers all questions of law to the Court.
- 265. Denies knowledge or information sufficient to form a belief as to the allegations of Paragraph 265, and refers all questions of law to the Court.

AS AND FOR A FIRST AFFIRMATIVE DEFENSE

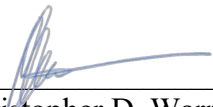
- 266. Failure to state a claim upon which relief can be granted.

AS AND FOR A SECOND AFFIRMATIVE DEFENSE

- 267. Plaintiff does not own a valid common law trademark and ownership of a valid common law trademark is a predicate or requirement for relief under 15 U.S.C. § 1119, 1120, and 1125.

WHEREFORE, defendants demand judgment dismissing the Complaint in its entirety, awarding them the costs and disbursements incurred in this action, including reasonable attorney's fees, and granting them such other and further relief as this Court deems just and proper.

Dated: Jersey City, New York
October 8, 2020



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